

Remarks

After entry of this Amendment, the pending claims are claims 13-18, and 20-24. The Office Action dated November 18, 2008 has been carefully considered. Claims 13, 14 and 16 have been amended. Support for the amendments is found in the specification, as well as in the figures. No new matter has been added. Reconsideration and allowance of the present application in view of the above Amendment and following Remarks are respectfully requested.

In the Office Action dated April 30, 2008, the Examiner:

- Objected to claim 13 because it is unclear what the actual acceptance criteria are regarding the internal security range;
- Rejected claims 13-18 and 19-24 under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicants regard as the invention;
- Rejected claims 13-18, 20-24 under 35 U.S.C. § 102(b) as being anticipated by WO 00/48138 to Bell et al.

OBJECTION TO CLAIM 13

Applicants have amended claim 13 to further clarify that following an item falling within the internal security range, a subsequent item will be accepted if it lies outside the internal security range but inside the high probability region as suggested by the Examiner. Therefore, Applicants respectfully request the withdrawal of this objection.

REJECTION UNDER 35 U.S.C. § 112

Applicants respectfully submit that in light of the amendments to the claims, the rejection under 35 U.S.C. § 112, second paragraph is now moot. Withdrawal of this rejection is thereby respectfully requested.

REJECTION UNDER 35 U.S.C. § 102(b)

Claim 13

Independent claim 13 was rejected under 35 U.S.C. § 102(b) as being anticipated by WO 00/48138 to Bell et al. In response to Applicants' arguments presented in the response to the 4/30/08 Office Action, Examiner explained that the claim did not take into account what happens when a parameter signal does not fall within the low acceptance range or the internal security range. Examiner noted that "if all of the limitations of claim 13 are presented in a manner that they are positively recited and absolutely required (all sides of all conditionals accounted for)" then "Bell will not anticipate the specific internal security range limitations." Office Action ¶ 11.

Applicants respectfully submit that claim 13 has been amended according to Examiner's recommendation. The amended claim 13 now includes limitations that account for all processing possibilities for all possible conditions, including when the parameter signal does not fall within the low acceptance range or the internal security range. Specifically, amended claim 13 discloses that when the first coin falls outside of the low acceptance probability range and within the high acceptance probability range, the first coin is further evaluated to see where within the high acceptance probability range the first coin falls. When the first coin falls outside of the internal security range, the next coin is processed as if it were the first coin. When the first coin falls within the internal security range, the subsequent coin is then compared to the internal security range again. If the second coin again falls within the internal security range, then the second coin is rejected. When the second coin falls outside of the internal security range but within still within the high acceptance probability region, the second coin is accepted.

Applicants respectfully submit that amended claim 13 now accounts for all possible conditions. When a coin is first inserted, a parameter signal is produced and processed and the

coin accepted. The parameter signal of the first coin does not affect the acceptance of the first coin. But the value of the parameter signal of the first coin alters the processing of the subsequent coin.

When the first coin is processed, the corresponding parameter signal falls either inside or outside of the normal acceptance range. When the first parameter signal falls outside of the normal acceptance range, the value of the second parameter signal is evaluated against the restricted acceptance range to determine whether the second coin should be accepted or rejected. Alternatively, when the first parameter signal falls within the normal acceptance range, the treatment of the subsequent parameter signal further depends on whether the first parameter signal falls within the high or low acceptance probability region. When the first parameter signal falls within the low acceptance probability region, the second parameter signal is evaluated using the restricted acceptance range to determine whether the second coin should be accepted or rejected. When the first parameter signal falls within the high acceptance probability region, the processing of the second coin further depends on whether the first parameter signal falls within or outside of the internal security range of the high acceptance probability region. When the first parameter falls outside of the internal security range of values, the first coin is accepted and the processing starts over. However, when the first parameter signal falls within the high acceptance probability region and within the internal security range, the second parameter signal is evaluated to see whether it also falls within the internal security range. If the second parameter signal falls within the internal security range, the second coin is rejected. Otherwise, if the second parameter signal falls anywhere within the high acceptance probability region (but outside of the internal security range), the second coin is accepted.

It is therefore submitted that Bell does not anticipate amended claim 13 because it does not teach all the limitations of amended claim 13.

Moreover, as claims 14-18 and 20-24 all directly or indirectly depend from amended claim 13, Applicants respectfully submit that these claims are equally allowable. Withdrawal of rejection under 35 U.S.C. § 102(b) and allowance of claims 14-18 and 20-24 are also respectfully requested.

CONCLUSION

Based on the foregoing amendments and remarks, Applicants respectfully request reconsideration and withdrawal of the rejection of claims and allowance of this application.

The Commission is hereby authorized to charge any additional fees which may be required for this response, or credit any overpayment to Deposit Account No. 15-0665, Order No. 020305-004002.

Respectfully submitted,
ORRICK, HERRINGTON & SUTCLIFFE LLP

Dated: February 18, 2008 _____

By: /Rita H. Lin/
Attorney name Rita H. Lin
Reg. No. 61,623

MAILING ADDRESS
ORRICK, HERRINGTON & SUTCLIFFE, LLP
4 Park Plaza, Suite 1600
Irvine, CA 92614-2558
Tel. (949) 567-6700
Fax. (949) 567-6710